

Alameda Reuse and Redevelopment Authority

Memorandum

To: Honorable Chair and
Members of the Alameda Reuse and Redevelopment Authority

From: Lisa Goldman
Acting Executive Director

Date: February 15, 2011

Re: Award a Contract for the Alameda Point Resource Team to Perkins + Will in the
Amount of \$200,000 for Land Use Planning Consulting Services

BACKGROUND

In September 2010, staff initiated a City-led planning and community engagement strategy for “going forward” at Alameda Point. The purpose and intent of the “going forward” community engagement strategy is to identify and describe a community supported, financially feasible land use vision for Alameda Point. The vision will serve as the basis for a land use and entitlement plan and conveyance agreement with the United States Navy (Navy) for Alameda Point. Staff intends for the “going forward” process to be a two-tiered effort:

1. **Vision and Project Description.** The first tier of the Alameda Point planning process will be to build community support for a feasible vision for the redevelopment of Alameda Point, which serves as the basis for a project description sufficient to commence the state and federal environmental review process. [Estimated completion date: July 2011]
2. **Plan Preparation and Entitlement Approvals.** The second tier of the Alameda Point planning effort will be to complete the entitlement process and approvals necessary to commence the conveyance, disposition and development of land at Alameda Point based on the vision and project description developed as part of the first tier. [Estimated completion date: July 2013]

Going forward with a City-led entitlement effort for Alameda Point redevelopment will allow the community to determine its own vision and development standards for Alameda Point before partnering with a private developer or developers. As a result, the City and community will have a stronger voice and greater control over the planning process, and future development partners will face less entitlement risk and gain greater certainty regarding development potential and investment return. The ARRA endorsed the “going forward” process and considered the budget for both tiers of the Alameda Point planning process at its February 2, 2011 meeting (Exhibit 1). The ARRA also recognized the need to maintain flexibility throughout the “going forward” process to

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respond to development opportunities that may arise over the next several years. As discussed on February 2nd, the two-tiered process is designed to allow the ARRA to evaluate the success of the first tier Vision and Project Description process before committing the resources necessary for the second tier Plan Preparation and Entitlement process.

In a separate staff report, staff is recommending that the ARRA approve mid-year budget adjustments to the ARRA budget to fund the Vision and Project Description process through the end of this fiscal year. The final proposed budget for the first year of the Plan Preparation and Entitlement Approvals process will be presented and recommended for approval as part of the FY11-12 budget process, if the ARRA decides to proceed with the City-led effort. City staff is also seeking grant funds from the Metropolitan Transportation Commission (MTC) for \$750,000 and the Department of Defense's Office of Economic Adjustment for \$200,000 to help fund this predevelopment process.

DISCUSSION

One of the key aspects of the Vision and Project Description process planned for the next six months will be a planning effort led by an inter-departmental staff team in conjunction with a team of key consultants, consisting of land use planning, real estate economics, civil engineering, sustainable infrastructure planning, transportation, and environmental (Alameda Point Resource Team). The Alameda Point Resource Team will prepare and evaluate development alternatives for Alameda Point, according to financial/fiscal, transportation and environmental sustainability criteria, and, based on ongoing community feedback and technical analysis, propose a vision concept and project alternatives for acceptance by the ARRA in July 2011. As described above, this project description will serve as the basis for commencing both state and federal environmental review.

In November 2010, staff issued a Request for Qualification (RFQ) for the Alameda Point Resource Team. The City received 37 responses for Urban Design and Land Use Planning. After evaluating all of the submittals, staff identified 12 firms to be interviewed. For the two days of land planning firm interviews, the staff team of three was supplemented by the President of the Planning Board, the Executive Director of the Alameda Point Collaborative, and the City of San Francisco Project Manager for the Hunters Point Redevelopment Project. After the two days of interviews, the panel narrowed the selection to the top two firms for a second round of interviews. After the second interview, the staff team identified Perkins + Will as the best-qualified firm for the Vision and Project Description work. The decision was based upon the extensive experience in similar complex planning projects, their understanding of the unique characteristics of Alameda Point, and their demonstrated ability to bring new ideas to the community discussion and planning effort. Perkins + Will's experience includes work on the Hunters Point Redevelopment Project, the Treasure Island Redevelopment Project, the Concord Naval Weapons Station, and the 2006 Alameda Landing Mixed Use Project.

Perkins + Will will be instrumental in assisting the staff team and Alameda community develop a financially feasible Vision and Project Description and alternatives for Council review and consideration within the six-month time period. During this period the staff team, with assistance from Perkins + Will and the remainder of the Alameda Point Resource Team, will:

- Conduct a workshop to educate and inform the community regarding proforma basics and infrastructure costs associated with redeveloping Alameda Point. This workshop will educate the community about the extensive costs necessary to redevelop Alameda Point and the possible sources of revenue available to achieve financial feasibility and fiscal neutrality. This work will be essential in enabling the community to actively and knowledgeably participate in the difficult, but necessary, discussion of trade-offs that will be critical to the development of a financially feasible development concept.
- Conduct three sustainability workshops to educate and inform the community about transportation, environmental, and financial and fiscal sustainability and prepare related performance criteria that will be used to evaluate proposed alternatives.
- Prepare materials and information for the community that will inform and enable the community to understand the relative benefits and costs of different trade-offs and relative strengths and weaknesses of different alternatives for Alameda Point.
- Identify, describe, and illustrate a Vision and Project Description as well as three other alternatives necessary to initiate the next phase of the planning process.
- Present options and analysis to the ARRA to decide whether to authorize the resources necessary to complete the second tier of the "Going Forward" process with the preparation of a Specific Plan and Environmental Impact Report for Alameda Point.

The recommended contract for \$200,000 with Perkins + Will is on file with the City Clerk.

As shown in Exhibit 2, there are existing and proposed contracts that comprise the majority of the budget for the Vision and Project Description process proposed for the next six months. The following provides a summary of the existing and proposed contracts for the Vision and Project Description process, a brief summary of the scope of work proposed for each, and how it builds upon, and avoids duplicating, past efforts.

Existing Alameda Point Contracts

- **Carlson Barbee Gibson (CBG) – Civil Engineering:** CBG currently conducts technical engineering analysis and cost estimating for the ARRA in support of its

Alameda Point Going Forward process and response to the Lawrence Berkeley National Laboratory (LBNL) Request for Qualifications (RFQ) for a Second Campus. CBG has worked for both previous master developers and for the City during previous predevelopment efforts. They have been working closely with the Public Works Department to refine the engineering analysis performed during the City's past planning efforts, with particular attention paid to issues related to flood protection and sea-level rise. The cost estimates refined by CBG are a fundamental component of the financial feasibility analysis.

- **Russell Resources, Inc. – Environmental:** Russell Resources has been providing environmental consulting services directly for the ARRA for many years. They review environmental documents issued by the Navy at all stages of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) process and provide comments to ensure that the ARRA's interests are incorporated into the Navy's environmental clean-up process. Russell Resources also supports the ARRA's redevelopment planning process to ensure that all planning efforts are consistent with the extent and timing of environmental clean-up.
- **Holland & Knight (H&K) – Federal Legislative Services:** An amendment to the H&K contract for federal legislative services on behalf of the City was amended in January 2011 by the City to add legislative services specifically for Alameda Point. H&K will provide federal legislative services to obtain potential grant funding sources, secure other federal funding opportunities, where possible, and support land value negotiations with the Navy, as directed.
- **City Design Collective (CDC) -- Community Outreach:** CDC assisted ARRA staff in preparing the Community Planning Workbook for the "lessons learned" community workshops held in November and December 2010 and facilitated the Neighborhood and Building Character table at the workshops. CDC also developed the online interactive version of the Community Planning Workbook and the report format for presenting the results of the online feedback provided by the community.
- **Urban Design Associates (UDA) – LBNL Land Use Planning:** UDA is currently providing limited urban design and land use planning services to the ARRA in preparation of its response to the LBNL Second Campus RFQ. UDA helped identify the appropriate size and location of the proposed site for the Second Campus. UDA is also creating a massing model, report template and maps to be included in the response.

Proposed Alameda Point Contracts

- **Perkins + Will (P+W) – Land Use Planning:** As described above, P+W will provide land use planning and urban design services to the ARRA as part of the Visioning and Project Description process. P+W's scope was carefully crafted to

build upon past efforts by identifying land use elements and catalyst projects from existing plans and efforts that will serve as the basis for preparing four development alternatives for Alameda Point. There is some limited budget to explore new and creative ideas, but with a focus on quickly integrating any new elements with the elements from past efforts that are determined should remain.

- **Nelson/Nygaard (N/N) – Transportation Planning:** N/N, a premier transportation planning firm that specializes in transit planning and transportation demand management (TDM), will be assisting the ARRA in preparing a transportation plan for the proposed Vision and Project Description. The N/N services will include developing transportation performance criteria for the Alameda Point redevelopment; facilitating and preparing materials for a community workshop on transportation sustainability; helping to prepare and evaluate the four potential development alternatives; and summarizing the preferred transportation plan in a vision concept document. N/N will be able to provide these services in a cost-effective manner by leveraging their other contracts with the City, including a transportation analysis funded by a Federal Transportation Authority (FTA) grant that is currently underway. These transportation planning and analysis efforts will supplement and drill down on technical issues and questions that were not addressed during past efforts.
- **ARUP – Sustainability/“Green” Infrastructure Planning:** ARUP will play a new and unique role on the planning team with a focus on creating a sustainable vision and framework for the Alameda Point project. Their services will include developing a vision framework for the entire project; conceiving of performance criteria for environmental sustainability, especially “green” infrastructure planning; preparing presentation materials for a environmental sustainability workshop; facilitating the workshop; evaluating the alternatives according to these criteria; and helping to prepare the vision concept document.
- **Real Estate Economics:** The real estate economics firm has not yet been selected. It is expected that this firm will prepare market and financial feasibility analysis for the Vision and Project Description process. All project proformas used to evaluate the feasibility of the four potential development alternatives will be developed based in large part on previous market and financial work.

FINANCIAL IMPACT

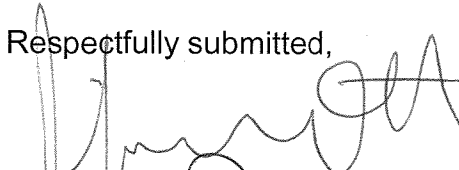
In a separate staff report for this evening, staff is recommending that the ARRA approve mid-year budget adjustments to the ARRA budget to fund only the first tier Vision and Project Description process through the end of this fiscal year (Exhibit 1). The final proposed budget for the first year of the Plan Preparation and Entitlement Approvals process will be presented and recommended for approval as part of the FY11-12 budget process, if the ARRA decides to proceed with the City-led effort. City staff is also seeking grant funds from the Metropolitan Transportation Commission (MTC) for

\$750,000 and the Department of Defense's Office of Economic Adjustment for \$200,000 to help fund this predevelopment process.

RECOMMENDATION

Award contract for the Alameda Point Resource Team to Perkins + Will in the amount of \$200,000 for land use planning consulting services.

Respectfully submitted,



Jennifer Ott
Deputy Executive Director



Andrew Thomas
Planning Services Manager

Exhibits:

1. Alameda Point Going Forward Process Budgets Presented to the ARRA on February 2, 2011
2. Alameda Point Going Forward Consultant Contract Budgets – Existing and Proposed

Exhibit 1 -- Table 1
Alameda Point Predevelopment Budget -- Visioning Process
July 1, 2010 -- June 30, 2011

	FY 1
	July 2010 thru
	June 2011
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SOURCES OF FUNDS	
Existing ARRA Budget	\$555,000
ARRA Fund Balance	\$332,700
MTC Grant	\$0
Other Potential Funds	<u>\$0</u>
TOTAL SOURCES OF FUNDS	\$887,700
 USES OF FUNDS	
Planning	
Land Use Planning	\$200,000
LBNL Planning	\$20,000
Community Outreach	\$60,000
Civil Engineering	\$67,000
Environmental	\$90,000
Transportation	\$60,000
Sustainability	\$56,000
Economics	\$80,000
Environmental Review (i.e., CEQA)	\$0
Federal Legislative Services	\$24,000
Legal	
State Lands	\$50,000
Conveyance	\$50,000
CEQA/NEPA	\$10,000
Other Transactional	\$40,000
Contingency @ 10%	<u>\$80,700</u>
TOTAL USES OF FUNDS	\$887,700
 FUND BALANCE - Beginning ⁽¹⁾	
AP Predevelopment Mid-Year	\$332,700
Other Known ARRA Mid-Year	\$407,000
Already Budgeted Drawdown	<u>\$543,975</u>
FUND BALANCE - Ending	\$6,240,127

⁽¹⁾ Audited actual amount, which is \$1,365,054 higher than projected.

Exhibit 1 -- Table 2**Alameda Point Predevelopment Budget -- Visioning and Entitlement Process****July 1, 2010 -- June 30, 2013**

	FY 1	FY 2	FY3	
	July 2010 thru	July 2011 thru	July 2012 thru	
	June 2011	June 2012	June 2013	TOTAL
SOURCES OF FUNDS				
Existing ARRA Budget	\$555,000	\$0	\$0	\$555,000
ARRA Fund Balance	\$332,700	\$2,107,800	\$2,857,800	\$5,298,300
MTC Grant	\$0	\$750,000	\$0	\$750,000
Other Potential Funds	\$0	\$0	\$0	\$0
TOTAL SOURCES OF FUNDS	\$887,700	\$2,857,800	\$2,857,800	\$6,603,300
USES OF FUNDS				
Planning and Entitlement				
Land Use, Transportation, Sustainability ⁽¹⁾	\$393,000	\$500,000	\$500,000	\$1,393,000
Civil Engineering	\$70,000	\$375,000	\$375,000	\$820,000
Environmental	\$90,000	\$150,000	\$150,000	\$390,000
Economics	\$80,000	\$150,000	\$150,000	\$380,000
Environmental Review (i.e., CEQA)	\$0	\$875,000	\$875,000	\$1,750,000
Federal Legislative Services	\$24,000	\$48,000	\$48,000	\$120,000
Legal				
State Lands	\$50,000	\$125,000	\$125,000	\$300,000
Conveyance	\$50,000	\$125,000	\$125,000	\$300,000
CEQA/NEPA	\$10,000	\$50,000	\$50,000	\$110,000
Other Transactional	\$40,000	\$200,000	\$200,000	\$440,000
Contingency @ 10%	<u>\$80,700</u>	<u>\$259,800</u>	<u>\$259,800</u>	<u>\$600,300</u>
TOTAL USES OF FUNDS	\$887,700	\$2,857,800	\$2,857,800	\$6,603,300

⁽¹⁾ Includes preparation of a Specific Plan for FY2 and FY3.

Exhibit 1 -- Table 3
ARRA Budget Projections -- Fund 858
July 1, 2009 -- June 30, 2014

	ACTUAL	BUDGET	PROJECTED	BUDGET	FORECAST	FORECAST	FORECAST
	FY 08-09	FY 09-10	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
TOTAL RESOURCES⁽¹⁾			13,092,188	12,518,415	12,815,140	12,815,140	12,065,140
TOTAL EXPENDITURES							
AP Maint Expenses			2,220,435	2,418,125	2,251,125	2,011,125	2,011,125
Personnel Services	749,510	810,050	717,605	594,745	594,745	594,745	594,745
Contractual Services ⁽¹⁾	11,740,829	6,786,040	7,180,660	5,450,930	7,895,890	6,745,890	4,188,090
Materials & Supplies	15,015	15,000	7,360	6,100	5,100	5,100	5,100
Capital Outlay	0	0	0	582,000	0	0	0
Fixed Charges	2,683,943	3,178,640	3,178,640	3,184,150	3,184,150	3,184,150	3,184,150
Debt Service	15,000	570,000	90,000	0	0	0	0
Subtotal	15,204,296	11,359,730	13,394,700	12,236,050	13,931,010	12,541,010	9,983,210
Transfers	2,378,728	1,969,080	1,173,120	1,566,040	1,589,690	1,689,690	1,689,690
Total	17,583,024	13,328,810	14,567,820	13,802,090	15,520,700	14,230,700	11,672,900
Beginning Balance			8,999,434	7,523,802	6,240,127	3,534,567	2,119,007
Ending Balance			7,523,802	6,240,127	3,534,567	2,119,007	2,511,247

⁽¹⁾ Includes Alameda Point predevelopment sources and uses of funds from Tables 1 and 2.

Exhibit 2 -- Table 1**Alameda Point Consultant Contracts for Visioning Process -- Existing and Proposed
July 1, 2010 -- June 30, 2011**

Consultant	Professional Discipline	July 2010 thru June 2011 ⁽¹⁾	
		Budget	Expended
Existing			
Carlson Barbee Gibson	Civil Engineering	\$60,000	\$17,913
Russell Resources ⁽²⁾	Environmental	\$90,000	\$67,709
Holland & Knight	Federal Legislative Services	\$24,000	\$4,000
Ian Wolfe Ross	Community Outreach	\$57,000	\$48,799
A3GEO	LBNL Geotechnical	\$3,500	\$0
Proposed			
Perkins + Will	Land Use Planning	\$200,000	\$0
Nelson/Nygaard	Transportation	\$60,000	\$0
ARUP	Sustainability	\$56,000	\$0
Urban Design Associates	LBNL Planning	\$15,000	\$0
To Be Determined	Real Estate Economics	<u>\$80,000</u>	<u>\$0</u>
Total Consultant Amounts		\$645,500	\$138,422

⁽¹⁾ Budget numbers may differ from amounts in Exhibit 1 due to contingencies added in by staff for particular consultants and due to excluding the legal budget for this analysis.

⁽²⁾ Total contract amount is for \$175,891.11 through September of next fiscal year. This amount represents a prorata share of the overall contract amount.